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Approv	ved For Re	elease 2003	/08/26 : CI/	4-RDP79R0	0890A0004	00030019-0
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NSC BRIEFING

9 November 1954

CHINESE OFFSHORE ISLANDS

- Bad weather helped keep Tachens situation fairly quiet past week.
 - Typhoons no longer factor, however.
- II. In past week Communist planes bombed Ichiang, 8 miles NW Tachens; reportedly hit Yushans, 30 miles NE Tachens.
 - A. Nationalist planes 2-4 November bombed Communist positions on Toumen, north of Ichiang, but artillery there continues hit Ichiang.
 - This first report Communist В. pressure on Yushan.
- Sightings of Communist gunboats and III. patrol vessels in Tachens area doubled since l November.
 - No reports naval clashes past

- B. Nationalists keeping 7-8 ships in Tachens area.
- 1V. Several possible forms Communist action against Tachens.
 - A. Could probably make Tachens
 untenable by sustained air attacks.
 - B. Could take Ichiang, then harass
 Upper and Lower Tachens with
 artillery.
 - C. Could take lesser islands in Tachen defense command--Yushan, Pishan, Nanchi.
 - D. This might panic Nationalists into withdrawal from main islands of group.
 - V. In Quemoy area, Communist activity seems largely defensive.
 - A. Artillery duels continue, without much damage.

B. Only 50,000 Communist troops in Amoy area now--would need 150,000 to invade Quemoys.

VI

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- C. Communists remain capable taking any or all offshore islands against Nationalist opposition alone.
- VII. Peiping's plans almost sure to be affected by indications of US intentions—both US naval movements and current news stories from Washington.

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- A. These stories say US is negotiating mutual defense pact with Nationalists on understanding Taipei avoid provocative attacks on mainland.
- B. Stories speculate on US policy re offshore islands.
- VIII. In first Communist comment on these stories, Peiping repeated standard line that US is pushing ahead talks for "treaty of military aggression."
 - A. Peiping's comment did not mention offshore islands.
 - IX. Difficult judge whether offshore island situation immediately affected by these stories.
 - A. Communists might conclude US very reluctant become involved.
 - B. They may therefore judge US bluffing in moving strong naval forces northeast of Formosa

- C. They cannot be certain, however, US will not intervene.
- D. On balance, seems likely Communists will make further efforts determine whether US bluffing, before attempting invasion of major offshore islands.
 - E. While continuing limited military action, possibly including capture some smaller islands,
 Communists expected wait for further news stories, official
 US statements, information from diplomatic sources, leaks from Taipei.